



**Saskatchewan
Finance**

Revenue Division
2350 Albert Street
Regina, Saskatchewan
S4P 4A6

Information Bulletin

October 27, 2006

TO: FIRST NATIONS AND ON-RESERVE RETAILERS

RE: TOBACCO TAX EXEMPTION AND REFUND

As announced on October 27, 2006, the tax on cigarettes increases from 17.5¢ per cigarette to 18.3¢ per cigarette and the tax on loose tobacco increases from 17.5¢ per gram to 18.3¢ per gram.

The new rates are effective October 28, 2006. However, tobacco products purchased by status Indians from an on-reserve store that has entered into a Tobacco Tax agreement with the Province, will continue to be tax free.

Since the Tobacco Tax has increased, on-reserve retailers are required to take an inventory of their tobacco products at the close of business on October 28, 2006 and report the quantity of cigarettes and grams of loose tobacco that they have on hand to Saskatchewan Finance. This is necessary so that your refunds are calculated properly.

Please fax your tobacco inventory count to Saskatchewan Finance, Revenue Division, at 306-787-6653 by November 3, 2006, in order to avoid a delay in the processing of your next refund.

If you have any questions, please call 1-800-667-7587 and ask for Lori Lavoie (extension 1286), or write to the above address.

Internet: Provincial Sales Tax bulletins, forms and information are available on the Internet at:

<http://www.gov.sk.ca/finance/revenue/pst/pst.htm>

